

**BEFORE THE  
U.S. DEPARTMENT OF ENERGY  
Washington, D.C. 20585**

In the Matter of: )

**SpacePak, A Mestek Company** )  
(central air conditioners and heat pumps) )

Case Number: 2014-SE-16012

**NOTICE OF PROPOSED CIVIL PENALTY**

Date issued: March 10, 2016

Number of alleged violations: **14**

Maximum possible assessment: **\$2,800**

Proposed civil penalty: **\$2,800**

The Office of the General Counsel of the U.S. Department of Energy (“DOE”) alleges that SpacePak, A Mestek Company (“SpacePak”) has violated certain provisions of the Energy Policy and Conservation Act, 42 U.S.C. § 6291 *et seq.* (“the Act”), and 10 C.F.R. Parts 429 and 430.

Specifically, DOE alleges:

1. SpacePak has distributed in commerce in the United States the small-duct, high-velocity central air conditioner basic model consisting of Heil brand outdoor unit nameplate model H4A324GKD\*, manufactured by Carrier Corporation, and indoor unit nameplate model ESP-2430GH4, manufactured by SpacePak (together, the “subject basic model”).
2. The subject basic model is a “covered product” as defined in 42 U.S.C. § 6292(a)(3) and 10 C.F.R. § 430.2.
3. SpacePak has distributed in commerce in the United States at least 14 units of the subject basic model.
4. DOE’s testing of four units of the subject basic model, conducted in accordance with the DOE test procedure for central air conditioners (Appendix M to Subpart B of 10 C.F.R. Part 430), yielded the test results of 10.00, 10.35, 10.15, and 10.35 SEER, respectively.
5. When evaluated in accordance with 10 C.F.R. Part 429, Subpart C, Appendix A, the subject basic model does not comply with the minimum federal standard of 11 SEER for

this subject basic model manufactured prior to January 1, 2015, as set forth at 10 C.F.R. § 430.32(c).

**The following information is provided in question and answer format to help explain your legal obligations and options.**

*What do I do now?*

DOE is offering to settle this enforcement action. To accept this settlement offer, you must submit the signed Compromise Agreement and then pay the fine within thirty (30) days of the date of an Adopting Order adopting the Compromise Agreement.

You have other options as described below.

*What are my other options?*

If you do **not** agree to DOE's settlement offer, then you must select Option 1 or Option 2 below within thirty (30) calendar days of the date of this Notice.

Option 1: You may elect to have DOE issue an order assessing a civil penalty. Failure to pay the assessed penalty within sixty (60) calendar days of the order assessing such penalty will result in referral of the case to a U.S. District Court for an order affirming the assessment of the civil penalty. The District Court has the authority to review the law and the facts de novo.

Option 2: You may elect to have DOE refer this matter to an Administrative Law Judge (ALJ) for an agency hearing on the record. Upon a finding of violation by the ALJ, DOE will issue an order assessing a civil penalty. This order may be appealed to the appropriate U.S. Court of Appeals.

*When must I respond?*

You must submit a signed compromise agreement within thirty (30) calendar days of the date of this notice to pay the lowest fine. If you do not wish to settle AND you wish to choose Option 1 as described above, you must notify DOE within thirty (30) calendar days of the date you received this notice of your selection of Option 1. Otherwise, if you do not settle the case, DOE will refer to the case to an ALJ as described in Option 2.

*How should I submit my response?*

To assure timely receipt, DOE strongly encourages you to submit your response by e-mail, fax, or an express delivery service. DOE accepts scanned images of signed documents (such as PDFs). Responses may be sent by any of the following methods:

By email to: david.case@hq.doe.gov

By fax to: (202) 586-3274

By mail to: David Case  
U.S. Department of Energy  
Office of the General Counsel (GC-32)

1000 Independence Ave., SW  
Washington, DC 20585

*What happens if I fail to respond?*

If you fail to respond within thirty (30) calendar days after receiving this notice, or by the time of any extension granted by DOE, DOE will refer the case to an ALJ for a full administrative hearing (Option 2, above).

*What should I include in my response?*

- 1) If you wish to accept DOE's settlement offer, you should submit the signed compromise agreement. If you do not wish to accept DOE's settlement offer, you should specify if you wish to elect Option 1; otherwise, DOE will proceed with Option 2, as described above.
- 2) Provide your Taxpayer Identification Number ("TIN"). The Debt Collection Improvement Act requires all Federal agencies to obtain the TIN in any case which may give rise to a debt to the government.

*How did DOE calculate the maximum possible assessment?*

Federal law sets a maximum civil penalty for each unit of a covered product that does not meet an applicable energy or water conservation standard that is distributed in commerce in the U.S. 10 C.F.R. § 429.102(a)(6). In the maximum penalty calculation in this notice, DOE has calculated a maximum penalty of \$200 per unit for 14 units distributed in commerce in the U.S. This number may be adjusted based on any additional information obtained if the case goes to hearing.

If you have any questions, please contact David Case via phone at (202) 287-6998 or email at david.case@hq.doe.gov.

Issued by:

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Laura L. Barhydt  
Assistant General Counsel for  
Enforcement